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ONE HUNDRED SEVENTEENTH CONGRESS
Congress of the United States
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April 14, 2022

Hector Balderas
Attorney General
State of New Mexico
408 Galisteo Street
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Attorney General Balderas:

We write to request information that your State may have regarding the use of public outside counsel contracts. Recent reports have raised significant concerns about the practice of politicians and trial lawyers using such contracts, often under the guise of consumer protection, for political purposes.¹ Specifically, certain State officials “often hire large private trial-lawyer firms to help prosecute their cases, entering into weak contracts that provide big fees for the firms but few guarantees that consumers will see any restitution” from such legal action.

As leaders on the Energy and Commerce Committee at the U.S. House of Representatives, which is responsible for developing consumer protection laws, we seek to ensure that egregious contracting practices do not deprive victims of appropriate restitution. Your office shares responsibility for protecting consumers, through enforcement of state and federal laws. We believe it is important for Congress to ensure that enforcement agencies, such as yours, have the tools you need to protect consumers in your State.

While we understand the need for certain State offices under certain circumstances to use outside counsel, we have significant concerns that such practice is being abused for political purposes. Thus, we are conducting oversight to gather information to review certain State practices as we continue our work to ensure consumers are prioritized.

¹ Susan Crabtree, *Report: State Contracts Boost Dem-Linked Lawyers, Not Consumers*, RealClearPolitics (Jan. 24, 2022), available at https://www.realclearpolitics.com/articles/2022/01/24/report_state_contracts_boost_dem-linked_lawyers_not_consumers_147083.html

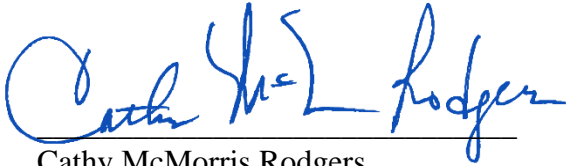
We write to you to understand your perspective on the use of such contracts, the proper protections that must be in place to benefit consumers and taxpayers, and how consumer restitution is best prioritized in public consumer protection efforts. We hope you will engage with us as we work to stop the abuse of consumer protection efforts. Accordingly, we request you share your insights and any information and documents you have on the following topics no later than April 28, 2022:

1. Please provide a copy of your official guidance on how all outside legal counsel is selected, including in consumer protection actions.
 - a. Please provide copies of all contracts between your office and outside contingency-fee legal counsel from 2012 to present, including active contracts, contracts currently being considered, or those that have been terminated.
2. Please provide a copy of your official guidance on how contingency fees are calculated.
 - a. Please provide the sum total in contingency fees paid by your office to outside legal counsel from 2012 to present and please provide an annual breakdown.
3. Please provide a copy of your official guidance on granting ethics or conflict waivers to outside contingency-fee legal counsel.
 - a. Please identify all ethics or conflicts waivers your office provided to outside contingency-fee legal counsel from 2012 to present.
4. For all outside contingency-fee legal counsel contracts that your office terminated between 2012 and present, please provide a copy of all written termination notices and the purpose of such termination, including conflicts- or ethics-related matters.
5. Please identify all policies your office uses to inform or guide the provision of restitution to consumers in connection with consumer protection enforcement actions.
6. Please identify any limitations your office imposes on outside contingency-fee legal counsel fees, including any measures that prioritize making consumers whole, rather than diverting funds to outside counsel.
7. Please provide the sum total in consumer restitution paid by your office between 2012 to present and please provide an annual breakdown.
8. Please provide the sum total in consumer restitution paid by your office between 2012 to present for cases where your office was represented by outside contingency-fee legal counsel and please provide an annual breakdown.

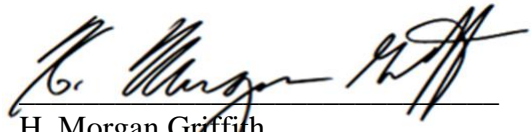
9. Please provide how much money in total consumer restitution your office paid in each respective case where consumer restitution was provided between 2012 to present and please provide an annual breakdown.

After the requested information has been provided, we ask that you provide a briefing to Republican Committee staff to discuss such information. Your assistance with this matter is greatly appreciated.

Sincerely,



Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce



H. Morgan Griffith
Ranking Member
Subcommittee on Oversight and
Investigations